Rise in prices of coal

32. SHRI GURUDAS DAS GUPTA:
SHRI GAYA SINGH:
SHRIMATI SUSHMA SWARAJ:

Will the Minister of COAL be pleased to state:

(a) whether it is a fact that the prices of coal which were raised in February, 1993 have again been increased by Rs. 18 per tonne recently;

(b) if so, what are the reasons therefor; and

(c) what is the percentage of this increase made this year together with its effect on prime industries like power, steel, cement etc.?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI AJIT KUMAR PANJA): (a) Yes, Sir.

(b) Consequent to the increase is Variable Dearness Allowance, announced in March, 1993 for the employees of Public Sector Undertaking payable from 1.1.1989 onwards, it became necessary to increase the price of coal in order to enable the coal companies to make these payments.

(c) The increase works out to 4.89 per cent in the average price of coal in case of Coal India Ltd. and 4.09 per cent in the case of Singareni Collieries Co. Ltd.

The impact due to increase in the coal prices of Coal India Ltd. is estimated to be as under:

Power	.	1.27 paisa per KWH
Steel	.	Rs. 61.00 per tonne
Cement	.	Rs. 3.63 per tonne
Wholesale Price Index	:	0.13 percent

Privatisation of subsidiary units of CIL

33. SHRI GAYA SINGH:
SHRI CHATURANAN MISHRA:

Will the Minister of COAL be pleased to state:

(a) whether Government propose to privatise certain subsidiary units of Coal India Ltd. which are running in losses for the last several years.

(b) if so, what are the names of such units together with the reasons for losses by these units.

(c) whether Government have made any attempt for the survival of these units; and

(d) if so, the details thereof?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI AJIT KUMAR PANJA): (a) No. Sir.

(b) Does not arise.

(c) and (d) Eastern Coalfields Ltd. and Bharat Coking Coal Ltd., the two subsidiary companies of Coal India Limited, who are operating a large number of old UG mines, have been incurring heavy losses before contribution from "Coal Price Regulation Account". Following steps are being taken to reduce cost of production and increase productivity for improving the performance of coal companies.

(i) Improved manpower planning including redeployment of surplus workers and restricting the intake of new employees against vacancies caused by natural wastage.

(ii) Control on increase in manpower through voluntary retirement scheme.

(iii) The concept of "all men all jobs" is being tried on an experimental basis.

(iv) Improvement in the availabilty and utilisation of equipment by providing adequate workshop support, improved management of spares and timely rehabilitation of equipment.

(v) Increase in production and productivity with special emphasis on underground mines.

(vi) a number of systems improvement and managerial measures have

been adopted to improve efficiency of operations.

Modernisation of coal mines

34. SHRI CHIMANBHAI MEHTA:
SHRI SARADA MOHANTY:
SHRI SOM PAL:
SHRIMATI MIRA DAS:

Will the Minister of COAL be pleased to state:

(a) what is the financial requirement for the modernisation of coal mines at present;

(b) what is the time stipulation for modernisation and what amount is going to be spent for modernisation in coal mines by public, private and joint sectors during the current five year plan;

(c) what would be the overall benefits of modernisation in terms of productivity, per shift worker, cost of production per tonne of coal and other benefits; and

(d) what was the production status, financial position, status of VRS scheme, strength of labour including surplus labour during the last three years?

THE MINISTER OF STATE OF THE MINISTRY OF COAL (SHRI AJIT KUMAR PANJA): (a) to (c) Modernisation of coal mines is a continuous process. The modern technologies being progressively introduced are primarily directed towards increasing production and improving safety, productivity and operational efficiency. According to present projections the target of coal production fixed for the terminal year of 8th Five Year Plan is 308 million tonnes (CIL — 270 M.T., SCCL — 33 m.t., Others — 5 m.t.).

For achieving the target of production the capital outlay for modernisation of coal mines for 8th Plan period is about Rs. 7000 crores for on-going and new projects.

Growth in coal production from TISCO, IISCO, DVC etc. will be very marginal i.e. from 4.53 m.t. in 1992-93 to 5.00 m.t. by 1996-97.

Output per manshift (O.M.S.) projected for the terminal year of 8th Plan is 1.65 tonnes for Coal India Ltd. and 1.31 tonnes for Singareni Collieries Co. Ltd.

The cost of production depends on factors like wage increase, inflation in cost of inputs etc. At any point of time no exact estimate can be made of these factors. However, coal companies have been adopting cost control measures to absorb 2-3 per cent of cost increase due to inflation.

(d) Information in respect of Coal India Ltd. and Singareni Collieries Company Ltd. is given below:—

Year	Production (million tonnes)	Financial Status Profit/Loss (in crores)	No. of employees	No. of surplus	No. of retired under VRS
1990-91	189.64	(—) 253.17	6,72,866	19,518	900
1991-92	204.14	(+) 167.07	6,71,550	17,222	1,587
1992-93	211.19	Expected to earn profit	6,63,349	10,848	6,232
SCCL					
1990-91	17.71	(—) 165.72	1,16,918	..	SSCL has a Voluntary Retirement Scheme for NCWA employees only on health grounds.
1991-92	20.58	(—)204.84	1,16,261	2,999	
1992-93	22.51	Accounts not yet finalised	1,15,025	1,964	